

Budget Forecasting Committee Report for FY26

January 28, 2025 - Barrington RI

Presented to Town Council, School Committee, Committee on Appropriations, and the Public

Background

BUDGET FORECASTING TEAM

Members

Cynthia Rosengard (Chair of BFC/Chair of COA)

Jim Sanderson (Vice Chair of BFC, Member of COA)

Braxton H. Cloutier (President of Town Council)

Kate Berard (Vice President of Town Council)

TJ Peck (Chair of School Committee)

Tim McNamara (Member of School Committee)

Richard Staples (Town Moderator)

Advisors

Maryanne Crawford (Finance Director, Town of Barrington)

Doug Fiore (Finance Director, BPS)

Phil Hervey (Town Manager)

Robert Wargo (Superintendent of Schools, BPS)

BUDGET FORECAST

- Encourages improved planning, collaboration, and goal-setting.
- Best practice required by RI Law 44-35-10.
- Based on known information and hypotheses/assumptions.
- Bond rating is favorable when meaningful budget forecasting is practiced.
- Provides budget projections that serve as guidelines and suggestions that can be adjusted as necessary.

ELEMENTS OF BUDGET FORECAST

As a baseline, the Budget Forecast uses the Town and School's 5-year forecasts that are submitted to the state

Assumes:

- *stability of revenues and property values;
- *steady staffing levels and anticipated debt service;
- *similar state/federal mandates and state/federal support.

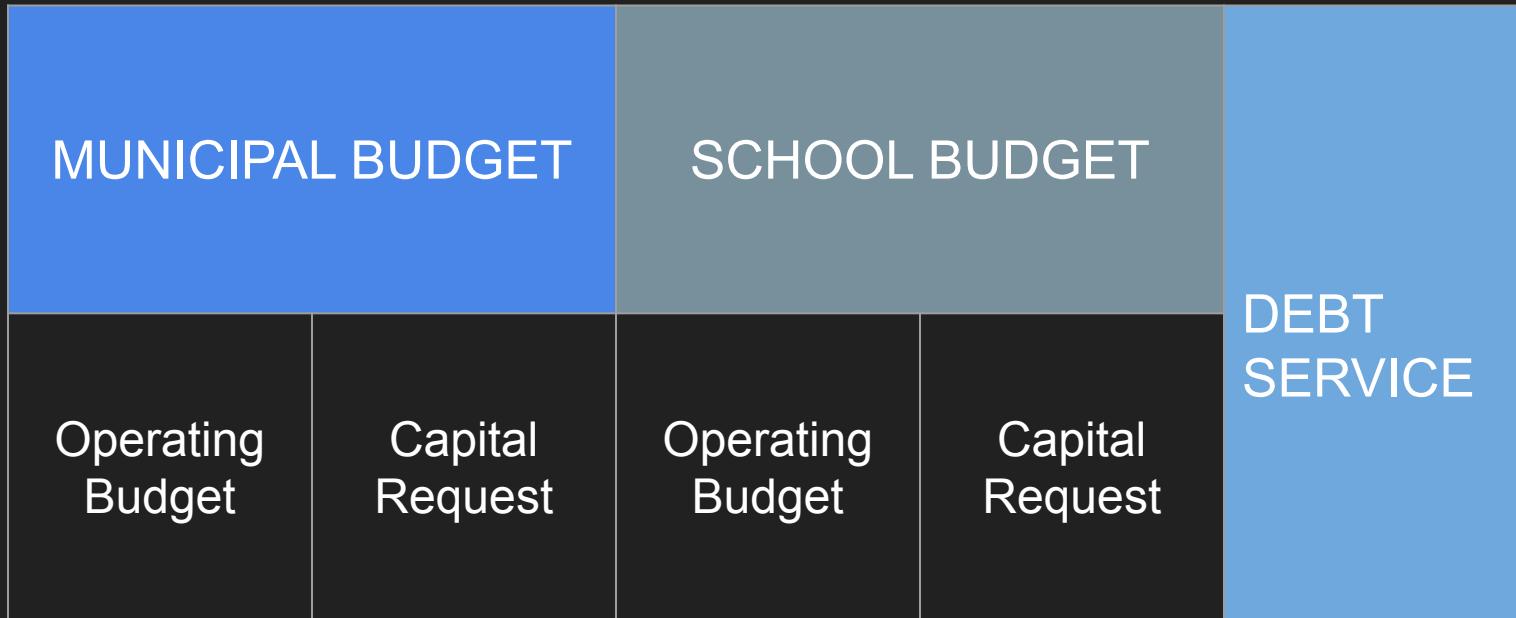
Includes:

- *revenues/expenditures outside of the operating budget, including state support of food services, block funding, etc.

Highlights:

- *upcoming initiatives, potential capital expenditures and other significant changes that may require attention in the next 5-10 years.

TOWN BUDGET ELEMENTS (EXPENSES)



TOWN BUDGET ELEMENTS (REVENUE)

MUNICIPAL BUDGET		SCHOOL BUDGET	
Property Taxes	Non-Tax Revenue	School State Aid	School Medicaid

TAX LEVY VS. TAX RATE

TAX LEVY	TAX RATE
<p>Total amount of taxes needed to be collected to operate municipality and schools after accounting for all revenue</p> <ul style="list-style-type: none">• Approved by taxpayers	<p>Individual dollar rate per thousand dollars of assessed value of a given property</p> <ul style="list-style-type: none">• Used to calculate yearly tax bill (affected by tax levy & property assessment)

Tax Levy = Town Budget (expenses) - non-property tax revenue

Tax Rate = Tax Levy/Total value of property in town

Budget Forecast

Budget Forecast vs. Actual Budgets

Fiscal Year	Budgeted Property Taxes	% Increase in Budgeted Property Taxes	Forecasted Property Taxes	Difference	% Difference
FY24	\$69,432,152	3.84%	\$67,899,412	\$1,532,740	2.3%
FY23	\$66,865,925	2.28%	\$66,762,445	\$103,480	0.16%
FY22	\$67,592,982	1.30%	\$68,647,000	-\$1,054,018	(1.5%)
FY21	\$66,730,400	2.44%	\$65,558,405	\$1,171,995	1.8%
FY20	\$65,142,459	1.04%	\$65,578,037	-\$435,476	(0.7%)
FY19	\$64,470,948	2.44%	\$65,623,672	-\$1,152,724	(0.18%)
FY18*	\$62,936,487	8.23%	\$59,641,892	\$3,294,595	5.5%
FY17	\$58,151,335	1.59%	\$58,944,109	-\$792,774	(1.3%)
FY16	\$57,243,617	1.70%	\$57,175,065	\$68,552	0.1%
FY15	\$56,285,217	0.32%	\$57,495,850	-\$1,210,633	2.1%
FY14**	\$56,107,889	1.56%	\$56,223,610	-\$115,721	(0.2%)

Budget Expenditures

Fiscal Year	Municipal			School		Total
	Operating	Capital	Debt	Total Operating [Local Exp.]	Capital	
FY25	\$21,912,238	\$1,691,500	\$6,255,837	\$65,596,225 [\$53,870,019]	\$388,595	\$95,844,395
FY26	\$22,742,282	\$1,910,200	\$6,773,950	\$68,220,074 [\$56,009,984]	\$388,595	\$100,035,101
FY27	\$23,500,523	\$1,577,200	\$8,883,169	\$70,948,877 [\$58,263,596]	\$388,595	105,298,364
FY28	\$24,205,679	\$1,542,000	\$10,926,167	\$73,786,823 [\$60,691,208]	\$388,595	110,849,264
FY29	\$25,596,795	\$1,612,200	12,393,570	\$76,738,305 [\$62,954,290]	\$388,595	116,729,465

BUDGET REVENUES

Fiscal Year	Municipal		School		TOTAL
	Property Tax	Non-Tax*	Aid/Other**	Medicaid	
FY25	\$72,081,803	\$11,647,791	\$11,814,801	\$300,000	\$95,844,395
FY26	\$75,750,338	\$11,686,078	\$12,273,685	\$325,000	\$100,035,101
FY27	\$80,498,801	\$11,725,687	\$12,748,876	\$325,000	\$105,298,364
FY28	\$85,598,744	\$11,766,301	\$13,134,219	\$350,000	\$110,849,264
FY29	\$90,748,910	\$11,807,955	\$13,822,600	\$350,000	\$116,729,465

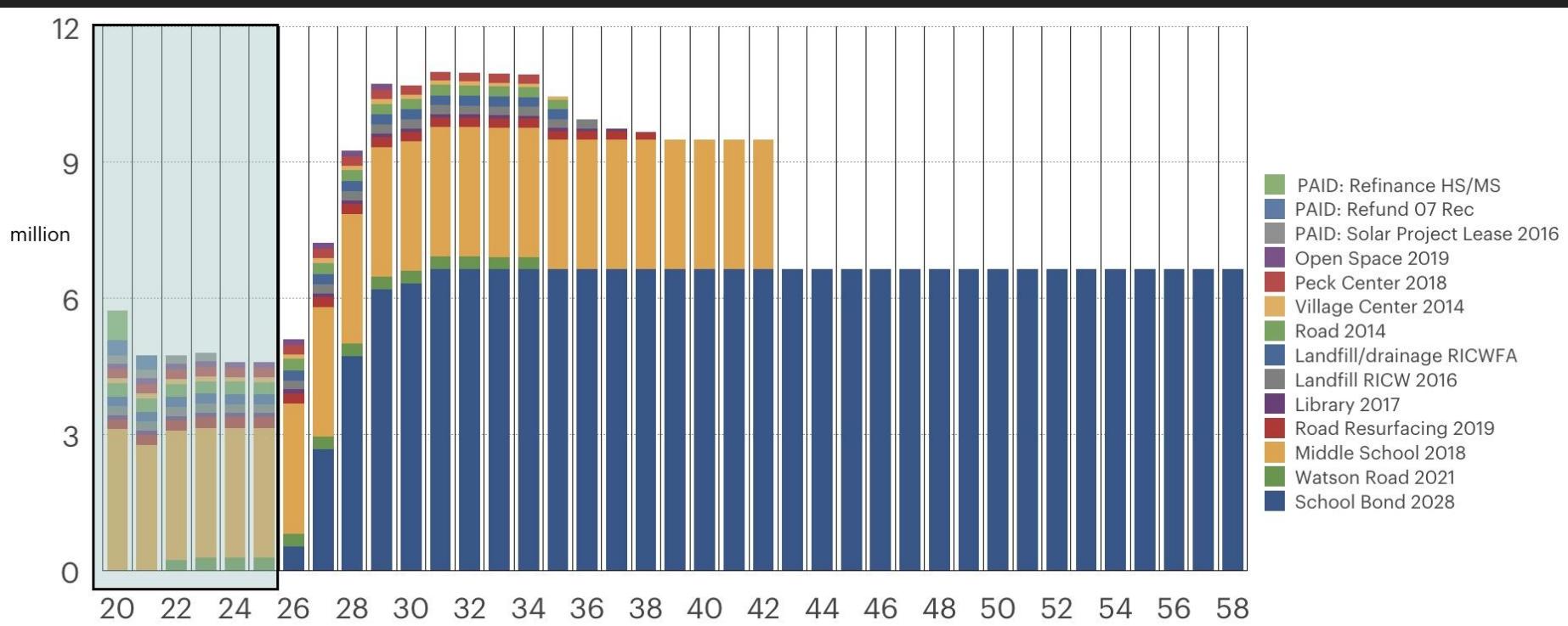
BUDGET WITH LEVY PROJECTIONS

Fiscal Year	Town Budget	Debt Service	Town Non-Tax Rev.	Property Tax Levy	Total Change/ % Change	% Change
FY25	\$83,729,594	\$6,255,837	(\$11,647,791)	\$72,081,803	\$2,649,651	3.8%
FY26	\$87,436,416	\$6,773,950	(\$11,686,078)	\$75,750,338	\$3,668,535	5.1%
FY27	\$92,224,488	\$8,883,169	(\$11,725,687)	\$80,498,801	\$4,748,463	6.3%
FY28	\$97,365,045	\$10,926,167	(\$11,766,301)	\$85,598,744	\$5,099,943	6.3%
FY29	\$102,556,865	\$12,393,570	(\$11,807,955)	\$90,748,910	\$5,150,166	6.0%

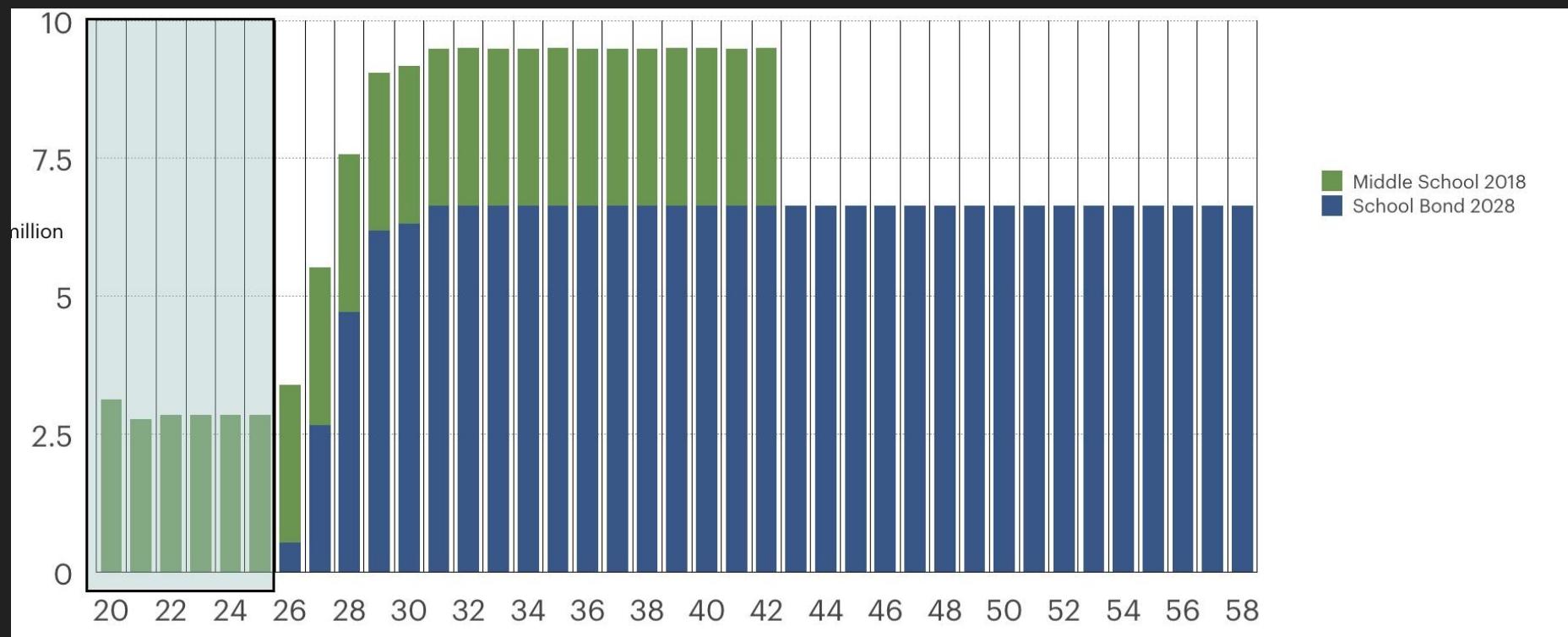
PENSIONS AND OPEB

Pensions	Funded Ratio*	Unfunded Liability*	Pension FY25 Req. Contrib. (actual) % of payroll	Contrib. FY24 (actual)	Contrib. FY25(budget)	Pension FY26 Req. Contrib. % of payroll
Barrington Fire (25)	96.2%	\$238,611	10.45%	\$238,517	\$270,906	8.98%
Barrington Police	76.8%	\$4,065,202	31.03%	\$615,384	\$820,457	30.20%
Barrington Fire (20)	62.4%	3,415,551	\$342,484	\$535,633	\$555,547	\$348,011
Barrington COLA (Municipal)	94.8%	\$2,292,244	8.52%	\$446,271	\$420,881	8.41%
Teachers (1.4% of state plan**)	61.5%	\$33,473,013	15.03%	\$4,570,009	\$4,779,544	15.10%
OPEB	126.4%	\$4,023,037	N/A	\$0	\$0	\$0

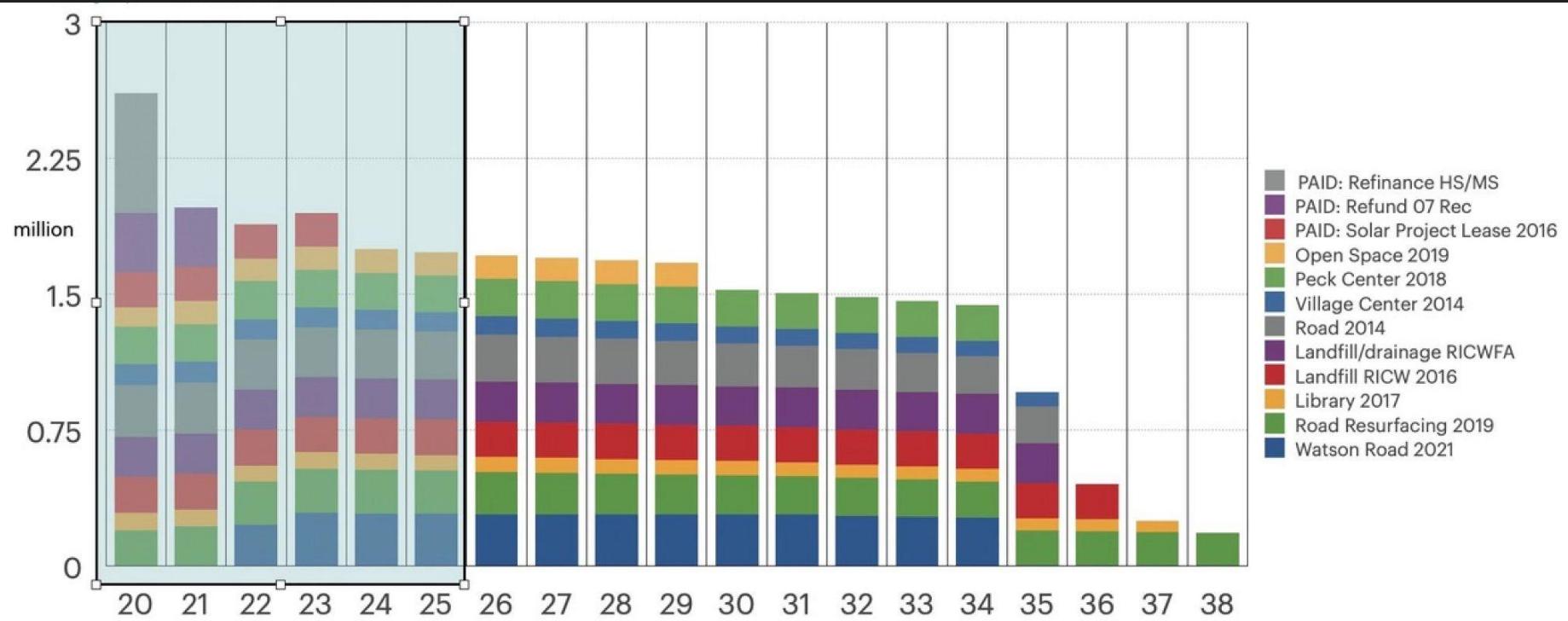
DEBT SERVICE SCHEDULE (COMBINED)



DEBT SERVICE SCHEDULE (SCHOOL)



DEBT SERVICE SCHEDULE (MUNICIPAL)



Contextual Factors

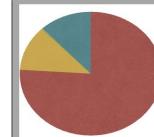
STRENGTHS & CHALLENGES

Strengths:

- * Located on Narragansett Bay, multiple local resources, proximity to Providence and Boston.
- * Active Business Association
- * Recognized nationally/internationally for high-performing schools.
- * Engaged community member volunteers.
- * Active public and private community partners.
- * Intentional use of grant-funding for both municipal and school projects.

Challenges:

- * High dependence on property taxes.
- * Climate change and potential for extreme weather events.
- * Infrastructure needs regular maintenance, renovation, or replacement.
- * Ongoing salary, benefit, and pensions/OPEB obligations.
- * Small size and reliance on state and region.
- * Limited affordable, accessible, and appropriate housing stock.



- Local Property Tax
- State School Aid
- Medicaid funding
- Other Municipal income (7.2%)

POTENTIAL AND UNPREDICTABLE VARIABLES

Inflation, market volatility and state funding revenue unknowns make budget forecasting, in general, susceptible to those changing realities.

In planning for the future, Barrington must also assess local variables:

- The impact of housing developments;
- Sewer infrastructure, BCWA service and related contracts;
- Infrastructure repair, renovation and replacement;
- Athletic fields, beach and trail upkeep;
- Economic assistance to residents;
- Overtime costs;
- Variability of special education costs;
- Projected school enrollments;
- Contract negotiations;
- Unfunded school mandates.

As a coastal community, Barrington is particularly susceptible to sea level rise and extreme weather events with unpredictable costs.

SOUND FINANCIAL MANAGEMENT

Barrington has Moody's aA1 and S&P AAA ratings, allowing for low borrowing costs.

Barrington has these favorable ratings because of:

- * Established long term sound financial management;
- * The avoidance of deficit spending;
- * The maintenance of a fund balance;
- * Tax capacity;
- * Supporting infrastructure through Capital Budgets;
- * Our Post Employment Benefits (OPEB) reserve is well-funded.

CONTINUED EFFORTS TO INCREASE SAVINGS

Barrington uses **joint purchasing agreements, grants, and shares services** with neighboring communities/programs, such as:

- Joint environmental grants with neighboring communities;
- Shared energy savings programs with the League of Cities and Towns, and the state;
- Shared public works support with local towns and mutual aid;
- BPS uses options for purchasing through multiple local, state, and national collaboratives and shares health and other insurance costs by utilizing the Trust.

The Town and Schools **re-evaluate services and initiatives regularly**:

- Utilizes pre-contracting services, if available, to lock in savings;
- Maximizes energy efficiency and renewable energy projects;
- Identifies potential efficiencies or consolidation across municipal and school programs and evaluates programs in a regular, systematic, and responsible way;
- Seeks legislative relief from state and RIDE unfunded mandates not specific to Barrington;
- Uses contract negotiation to find opportunities for improving/modernizing contract language and benefits packages.

COMMITTEE ON APPROPRIATIONS SCHEDULE

DATE	TOPIC
Tuesday, March 4, 2025	School Budget Presentation (Operating & Capital)
Tuesday, March 11, 2025	Municipal Budget Presentation (Operating & Capital)
Tuesday, March 18, 2025	Discussion of School & Municipal Budgets
Tuesday, March 25, 2025	Discussion of Municipal & School Budgets
Tuesday, April 8, 2025	Discussion of School & Municipal Budgets & Vote on Proposed Budgets
Tuesday, April 22, 2025	Budget Hearing Preparation
Tuesday, May 14, 2025	Budget Hearing
Tuesday, May 28, 2025	Financial Town Meeting
Tuesday, June 3, 2025	Financial Town Meeting Debrief & Organizational Meeting

QUESTIONS

Please contact the Chair of the Committee on Appropriations:
COA@barrington.ri.gov or 401-247-1900, extension 305